

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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U.S. BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:

W. R. GRACE & CO., et al.¹

Debtors.

Chapter 11

Case No. 01-01139 (JJF)

Jointly Administered

Objection Deadline: June 4, 2001 at
4:00 p.m.

Hearing Date: To be scheduled only
if objections are timely filed and
served.

**NOTICE OF APPLICATION FOR AN ORDER AUTHORIZING THE
RETENTION OF DUANE, MORRIS & HECKSCHER LLP AS COUNSEL TO
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the Chapter 11 cases of W.R. Grace & Co. et al. ("Grace") and its sixty-one subsidiaries and affiliates has filed an **Application for an Order Authorizing the Retention of Duane, Morris & Heckscher LLP as Counsel to the Official Committee of Unsecured Creditors ("Application")**.

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

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You are required to file a response to the attached **Application** on or before **June 4, 2001 at 4:00 p.m.**

At the same time, you must also serve a copy of the response upon applicant's undersigned attorneys.

A HEARING ON THE APPLICATION WILL BE HELD BEFORE THE HONORABLE JOSEPH J. FARNAN, JR., ONLY IF OBJECTIONS ARE TIMELY FILED AND SERVED.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: May 17, 2001

STROOCK & STROOCK & LAVAN LLP
Lewis Kruger, Esq.
Robert A. Raskin, Esq.
Arlene G. Krieger, Esq.
180 Maiden Lane
New York, New York 10038-4982
Telephone: (212) 806-5400
Facsimile: (212) 806-6006

- and -



Michael R. Lastowski, Esquire (DE I.D. No. 3892)
William S. Katchen, Esquire
DUANE, MORRIS & HECKSCHER, LLP
1100 N. Market Street, Suite 1200
Wilmington, DE 19801-1246
Telephone: (302)-657-4942
Facsimile: (302)-657-4901
Email: mlastowski@duanemorris.com

Proposed Co-Counsel for the Official
Committee of Unsecured Creditors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,¹

Debtors.

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Chapter 11

Case No. 01-01139 (JJF)

(Jointly Administered)

Objection Deadline: June 4, 2001 at 4:00 p.m.

**Hearing Date: To be scheduled only if objections are timely
filed and served**

**APPLICATION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR AN ORDER
AUTHORIZING THE EMPLOYMENT AND RETENTION
OF DUANE, MORRIS & HECKSCHER LLP AS LOCAL COUNSEL**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of W.R. Grace & Co. ("Grace") and its sixty-one subsidiaries and affiliates (collectively with Grace, the "Debtors") respectfully submits this application (the "Application") pursuant to 11 U.S.C. §§327(a) and 1103 and Rule 2014 of the Federal Rules Of Bankruptcy Procedure for an Order authorizing the Committee to retain Duane, Morris & Heckscher LLP ("Duane Morris") as its local counsel with the law firm of Stroock & Stroock & Lavan LLP

¹ The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circo Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

(“Stroock”) in the Debtors’ chapter 11 case, as of April 17, 2001, and in support of its Application, respectfully represents as follows:

BACKGROUND

1. On April 2, 2001 (the “Petition Date”), the Debtors commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 title 11 of the United States Code, 11 U.S.C.. §§101 et seq. (the “Bankruptcy Code”).

2. The Debtors have continued in possession of their properties and have continued to operate and manage their businesses as debtors-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code. Pursuant to an order of the Court, the Debtors chapter 11 cases have been procedurally consolidated and are being jointly administered.

3. The Debtors operate a world wide specialty chemicals and materials business predominately through two business units, Davison Chemicals and Performance Chemicals. The Debtors employ approximately 3860 full-time employees. On a consolidated basis, for the fiscal year 2000, Grace reported a net loss of \$89.7 million from \$1.59 billion in net revenues. The Debtors’ bankruptcy filings report that in fiscal year 2000, on a consolidated basis, Grace’s sales are generated approximately 50% by the Debtors and 50% by the Debtors’ non-debtor subsidiaries and affiliates.

4. Grace, as the Debtors’ parent company, is a global holding company that conducts substantially all of its business through a direct, wholly owned subsidiary of W.R. Grace & Co.-Conn (“Grace-Conn”). Grace-Conn owns substantially all of the assets, properties and rights of Grace in the United States. Grace and Grace-Conn have 76 domestic subsidiaries and affiliates, 60 of which are debtors and debtors-in-possession in these chapter 11 cases and 71 foreign-

non-debtor subsidiaries and affiliates. Prior to the Petition Date, the Debtors' non-debtor foreign subsidiaries and affiliates received credit support and loans for their operations from their respective domestic parent companies.

5. On April 12, 2001, the United States Trustee formed the Committee consisting of the following members: J.P. Morgan Chase & Co., ABN AMRO Bank N.V., Bank of America, N.A., The Bank of New York, as indenture Trustee, Bankers Trust Company, as indenture Trustee, First Union National Bank, Sealed Air Corporation, Wachovia Bank N.A., and Zhagrus Environmental, Inc. During the first meeting of the Committee on April 12, 2001, the Committee duly selected Stroock as its counsel to represent the Committee in all matters during the pendency of the Debtors' chapter 11 cases.

6. The Committee, thereafter, requested the assistance of William S. Katchen, Esq. and Michael Lastowski, Esq. of Duane, Morris & Heckscher LLP, with an office located at 1100 North Market Street, Suite 1200, Wilmington, DE 19801, to act as local counsel to the Committee during the pendency of the Debtors' chapter 11 cases.

JURISDICTION

7. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

RETENTION OF DUANE MORRIS

8. The Committee respectfully requests the entry of an order authorizing it to employ and retain Duane Morris as its local counsel to perform the legal services that will be necessary during these jointly administered chapter 11 cases.

9. The Committee has selected Duane, Morris as its local counsel because of the

firm's extensive knowledge and expertise in the areas of law relevant to these cases. In addition, Duane Morris has considerable experience in representing unsecured creditors' committees in chapter 11 reorganization cases and other debt restructurings. Moreover, pursuant to Local Bankruptcy Rule 9010-1, and because the members, counsel, and associates of Stroock are not Delaware lawyers, the retention of Duane Morris as Delaware counsel is necessary.

10. The Committee also seeks to retain Duane Morris as its local counsel because of the firm's expertise, experience and knowledge practicing before this Court, as well as its proximity to the Court, and its ability to respond quickly to emergency hearings and other emergency matters in the Court. The Committee believes that the Duane Morris attorneys are well qualified and able to represent it in these chapter 11 cases.

11. Subject to Court approval, Duane Morris will charge for its legal services on an hourly basis and will seek reimbursement of its actual and necessary expenses.

12. Duane Morris intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of this Court and pursuant to any additional procedures that have and may be established by the Court in this case.

13. The professional services that Duane Morris will render to the Committee include, but shall not be limited to, the following:

- a) provide legal advice with respect to the Committee's rights, powers and duties in these cases;
- b) prepare on behalf of the Committee all necessary applications, answers, responses, objections, forms of orders, reports and other legal papers;
- c) represent the Committee in matters involving contests with the Debtors and other

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DUANE, MORRIS & HECKSCHER

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parties in interest;

- d) assist the Committee in its investigation and analysis of the Debtors and the operations of the Debtors' business; and
- e) perform all other legal services for the Committee which may be necessary and proper in these cases.

Duane Morris will make every reasonable effort to avoid duplication of services in this representation.

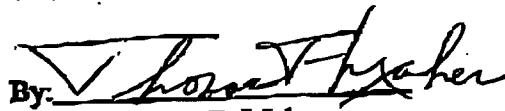
14. To the best of the Committee's knowledge, based upon the Affidavit of William S. Katchen (the "Katchen Affidavit") attached hereto and incorporated by reference herein, Duane Morris neither holds nor represents an entity having an adverse interest in connection with the case, and is a "disinterested person" within the meaning of Sections 327(a) and 101(14) of the Bankruptcy Code.

NO PRIOR REQUEST

15. No previous application for the relief sought herein has been made by the Committee to this or any other Court.

WHEREFORE, the Committee respectfully requests entry of the annexed Order authorizing the Committee to employ and retain Duane Morris as local counsel and providing the Committee such other and further relief as the Court may deem just and proper.

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS

By: 
Thomas F. Maher
J.P. Morgan Chase & Co.
Chair of the Committee

Dated: May 17, 2001

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,¹

Debtors.

Chapter 11

Case No. 01-01139 (JJF)

(Jointly Administered)

Objection Deadline: June 4, 2001

**Hearing Date: To be scheduled only if objections are timely
filed**

**AFFIDAVIT OF WILLIAM S. KATCHEN IN SUPPORT OF
APPLICATION TO APPROVE RETENTION OF DUANE, MORRIS & HECKSCHER
LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
EFFECTIVE AS OF APRIL 17, 2001**

STATE OF NEW JERSEY)
)ss.
COUNTY OF ESSEX)

WILLIAM S. KATCHEN, being duly sworn, deposes and says:

1. I am an attorney at law admitted to practice in the State of New Jersey, in the United States District Court for the District of New Jersey, the United States Court of Appeals for the Third Circuit and the Supreme Court of the United States. I am a member of the firm

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of Duane, Morris & Heckscher LLP ("Duane Morris"), which firm maintains an address at One Riverfront Plaza, 2nd Floor, Newark, New Jersey 07102 as well as 1100 North Market Street, Suite 1200, Wilmington, DE 19801, and 17 other United States cities and London, and make this affidavit in support of the application (the "Retention Application") of the Official Committee of Unsecured Creditors (the "Grace Committee") of W.R. Grace and Co. ("Grace") and sixty one of its domestic affiliates and subsidiaries (collectively with Grace, the "Debtors") seeking approval to retain Duane Morris as its local counsel effective as of April 17, 2001, and to make certain disclosures required under Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure.

2. On April 17, 2001, the Grace Committee duly selected Duane Morris as its local counsel to represent it during the pendency of the Debtors' chapter 11 cases. Upon its retention, Duane Morris immediately began to review and analyze the numerous pending motions in these cases, and other issues which may substantially impact on creditor recoveries in these cases.

3. Duane Morris has a well known practice in the field of insolvency, reorganization bankruptcy law, as well as expertise in corporate, labor, tax, real estate, environmental and other areas of law related to corporate financing and commercial practice and related complex litigation.

4. In preparing this Affidavit, I caused to have submitted to Duane Morris' conflict data base, and distributed to all Duane Morris personnel, the names of, among others, (i) the Debtors; (ii) the consolidated list of creditors holding the twenty largest unsecured claims identified on the Debtors' petition; (iii) members of the Grace Committee; (iv) the officers and directors of the Debtors; (v) the plaintiffs and other parties in interest to non-asbestos litigation

against the Debtors; (vi) the names of significant co-defendants to the Debtors in asbestos litigation and law firms involved in inventory settlement agreements disposing of asbestos bodily injury claims valued at more than \$5 million; (vii) the top 100 equity security holders of the Debtors; (viii) the Debtors' bank creditors and issuers of their outstanding letters of credit or surety bonds; (ix) parties to real estate leases with the Debtors; and (x) other parties in interest known to me (collectively the "Conflicts Check"). A complete list of the entities that I caused to be submitted for review by our conflicts check system is annexed hereto as "Schedule A".

5. Duane Morris maintains and updates its computer conflict data base in the regular course of business of the firm, and it is the regular practice of the firm to make and maintain these records. The conflicts check system is designed to include every matter on which the firm is now or has been engaged, the entity by which the firm is now or has been engaged, and in each instance, the identity of the related parties and adverse parties and the attorney in the firm that is knowledgeable about the matter. Duane Morris' policy is that no new matter may be accepted or opened within the firm without completing and submitting to those in charge of maintaining the conflict check system and adverse party index, the information necessary to check each such matter for conflicts, including the identity of the prospective client, the matter and related and adverse parties. Thus, the database is regularly updated for every new matter which Duane Morris undertakes.

6. Except as disclosed herein, Duane Morris does not have any connection with the Debtors, their professional advisors, their officers and directors, the twenty largest unsecured creditors, as listed in a consolidated form, or other parties identified on Schedule A and believes that it is "disinterested" under § 101(14) of the Bankruptcy Code.

i. **Debtors.** Based upon its Conflicts check, Duane Morris does not currently represent any of the chapter 11 Debtors; however, in the past the firm has provided counsel on discrete New Jersey real estate matters to one of the Debtors, Gloucester New Communities Company, Inc. This representation is not adverse to the Debtors' estates or their creditors in matters upon which Duane Morris is to be engaged by the Committee. During the period of its retention, while employed by the Grace Committee, pursuant to § 1103(b), Duane Morris will not represent any Debtor in connection with the cases.

ii. **The Grace Committee.**

a) ABN-AMRO Bank N.V. ("ABN") Duane Morris has in the past and currently represents ABN and/or its affiliates in unrelated commercial banking and litigation matters. These matters are unrelated to these chapter 11 cases.

b) Bank of America N.A. ("B of A") Duane Morris has in the past and currently represents B of A in restructuring and reorganization matters which are unrelated to these chapter 11 cases, except as noted herein. B of A is a member of the Grace Committee in this case and post-petition lender to the Debtors. Duane Morris currently represents as counsel or local counsel several bank lender groups in unrelated cases, in which B of A is the agent, or a member of such group, including the Armstrong World Industries, Inc., chapter 11 case, in this District, and in the G-I Holdings, Inc. bankruptcy case, pending in the Bankruptcy Court, District of New Jersey. Both of these cases involve asbestos litigation, and do not include representation of any claims or adverse interests related to the Debtors in W.R. Grace, Inc., et al. cases.

c) The Bank of New York. ("BNY") Duane Morris has in the past and currently represents BNY in restructuring and reorganization matters which are unrelated to these chapter 11 cases. Duane Morris serves as local counsel to BNY as agent to a group of pre-petition bank lenders with the firm of Wachtell, Lipton, Rosen & Katz in the matter of G-I Holdings, Inc. in connection with loans and advances to a non-filed wholly owned subsidiary of the Debtor, BMCA.

d) The Chase Manhattan Bank n/k/a JP Morgan Chase & Co. ("Chase") Duane Morris has in the past and currently represents Chase in restructuring and reorganization matters which are unrelated to these chapter 11 cases. Chase is agent under the pre-petition revolving credit facilities, is listed as one of Grace's twenty largest creditors, and is a member of the Committee. Duane Morris represents Chase as lender and as agent for a group of pre-petition lenders, in connection with the chapter 11 case of Armstrong World Industries, Inc. Duane Morris' representation in these matters is unrelated to these chapter 11 cases.

e) First Union Securities & First Union National Bank. ("FNB") Duane Morris has in the past and currently represents FNB and some of its affiliates, in matters related to structured finance work and creditors' rights. Duane Morris' representation in these matters is unrelated to the W.R. Grace chapter 11 cases.

iii. **Other Known Creditors or Parties In Interest:** Based upon the investigation described above, it appears that Duane Morris has represented or currently represents the following entities in matters:

a) General Electric Co. ("GE") Duane Morris represents subsidiaries of GE in matters that are unrelated to the chapter 11 cases or the pending asbestos litigation in which the Debtors are co-defendants.

b) The Principal Mutual Life Insurance Company, Inc. ("Principal") Principal is a client of Duane Morris who holds mortgages on real property of the Debtors or their affiliates. Duane Morris currently represents Principal in various commercial and bankruptcy matters which are unrelated to the Debtors' chapter 11 cases. Duane Morris has represented Principal in connection with certain of its liens and mortgages on which one of the Debtors and certain non-Debtor affiliates are obligors. Duane Morris will not represent Principal in connection with the enforcement of any of Principal's rights against the Debtors or their affiliates.

c) National Coordinating Defense Counsel Representation. Duane Morris is currently the National Coordinating Defense Counsel representing IMO Industries, Warren Pumps and Synkoloid Corp. who are listed as Asbestos Litigation Significant Co-defendants.

d) Ingersoll Rand Co. ("Ingersoll Rand") Duane Morris represents Ingersoll Rand in matters unrelated to these chapter 11 cases.

e) Merrill Lynch, Pierce, Fenner & Smith. ("Merrill Lynch") Duane Morris represents Merrill Lynch in matters unrelated to these chapter 11 cases.

f) General Motors Corporation. ("General Motors") Duane Morris represents the corporation and its subsidiaries in matters that are unrelated to the chapter 11 cases or the pending asbestos litigation in which the Debtors are co-defendants.

g) Oxy Vinyls, L.P. ("Oxy") Duane Morris represented Oxy in a reclamation demand in the Debtors' chapter 11 cases which demand is currently pending and which may be resolved by agreement. Duane Morris will not further represent Oxy.

7. To the best of my knowledge and belief, the firm of Duane Morris does not currently represent any party or co-defendant asserting claims for indemnity or contribution against the Debtors or their affiliates, except to the extent such claims automatically arise under Local Rules of Civil Procedure or other applicable law. To the extent that such claims exist between or among such co-defendants, the firm of Duane Morris will not represent any such claim against the Debtors while Duane Morris represents the Committee pursuant to § 1103(b).

8. At the commencement date of these cases, Duane Morris was owed \$72.00 in connection with the prior representation of the Debtor in real estate matters, which claim has been waived. In addition, the Debtors had requested that Duane Morris continue to provide real estate representation post-petition, as "an ordinary course professional" in such real estate matters. During the period of its retention by the Grace Committee, Duane Morris will not provide any such representation to the Debtors.

9. Except as described above, none of the representations of the interests

described in this affidavit includes any matter related to these proceedings or to the Debtors.

None of such representations are materially adverse to the interest of the Estate or of any class of creditors which would prevent Duane Morris from being a disinterested person under § 101(14).

10. Due to the size and diversity of Duane Morris' practice, and the large number of creditors of these estates, Duane Morris may have represented or otherwise dealt with, and may now be representing or otherwise dealing with, other persons (and their attorneys and accountants) who are or may consider themselves to be creditors, equity security holders or parties-in interest in these chapter 11 cases, in matters unrelated to the Estate.

11. I hereby further represent that insofar as I have been able to ascertain, I am and each member of my firm is a "disinterested person" as that term is defined in § 101(14) of the Bankruptcy Code.

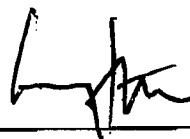
12. All compensation to Duane Morris for fees and expenses incurred during these chapter 11 cases shall be subject to approval by this Court upon the filing of appropriate application(s) for interim or final allowance of compensation, in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules of this Court and orders of this Court.

13. No promises have been received by Duane Morris or by any member, counsel or associate thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code.

14. I hereby represent that Duane Morris has not agreed to share with any person or entity any of the compensation to be paid for the services rendered in these cases, other than as permitted pursuant to § 504(b) (1) of the Bankruptcy Code.

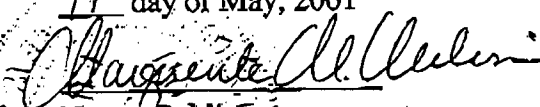
15. Duane Morris intends to apply for compensation for professional services rendered in this chapter 11 case and for reimbursement of actual and necessary expenses incurred in connection therewith, subject to Court approval, in accordance with §§ 330(a) and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules and any administrative order that may be entered in this case.

16. The current hourly rates for partners at Duane Morris range from \$230.00 to \$450.00 per hour and for associates from \$130.00 to \$250.00 per hour. Paralegals' rates range from \$50.00 to \$130.00 per hour. The foregoing rates are subject to periodic increases, usually in January each year. Expense items for which the Debtor may be charged, include, but are not limited to, document reproduction, computerized research, travel expenses, telephone charges, telecopier charges, mailing charges, necessary secretarial overtime, messenger services, filing fees, service of process charges, expenses of investigation, trial experts, the costs of depositions or other transcripts of testimony and, in general, all identifiable expenses that would not have been incurred except for representation of a particular client.



William S. Katchen

Sworn to before me this
19th day of May, 2001



Notary Public

KWK034825.2

MARGUERITE M. MELVIN

Notary Public of New Jersey

My Commission Expires June 18, 2003

SCHEDULE A

SCHEDULE A**(i) DEBTORS**

W.R. Grace & Co.	A-1 Bit & Tool Co., Inc
Alewife Boston Ltd.	Alewife Land Corporation
Amicon, Inc.	CB Biomedical, Inc.
CCHP, Inc.	Coalgrace, Inc.
Coalgrace II, Inc.	Creative Food 'N Fun Company
Darex Puerto Rico, Inc.	Del Taco Restaurants, Inc.
Dewey and Almy, LLC	Ecarg, Inc.
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GPC Thomasville Corp.	Grace A-B II Inc.
Grace A-B Inc.	Grace Culinary Systems, Inc.
Grace Chemical Company of Cuba	Grace Energy Corporation
Grace Drilling Company	Grace Europe, Inc.
Grace Environmental, Inc.	Grace HG II Inc. -
Grace H-G Inc.	Grace International Holdings, Inc.
Grace Hotel Services Corporation	Grace PAR Corporation
Grace Offshore Company	Grace Tarpon Investors, Inc.
Grace Petroleum Libya Incorporated	Grace Washington, Inc.
Grace Ventures Corp	W.R. Grace & Co. Conn.
W.R. Grace Capital Corporation	Gracoal, Inc.
W.R. Grace Land Corporation	Guanica-Caribe Land Development Corporation

SCHEDULE A

(i) DEBTORS

Gracoal II, Inc.	Homco International, Inc.
Hanover Square Corporation	LB Realty, Inc.
Kootenal Development Company	Monolith Enterprises, Incorporated
Litigation Management, Inc.	MRA Holdings Corp.
Monroe Street, Inc.	MRA Staffing Systems, Inc.
MRA Intermedco, Inc.	Southern Oil, Resin & Fiberglass, Inc.
Remedium Group, Inc.	Axial Basin Ranch Company
Water Street Corporation	Hayden-Gulch West Coal Company
CC Partners	H-G Coal Company

SCHEDULE A**(ii) CONSOLIDATED LIST OF 20 LARGEST UNSECURED CREDITORS**

Chase Manhattan Bank, n/k/a J.P. MorganChase & Co.	Los Angeles Unified School District
Huntsman Corporation	DCP-Lohja, Inc.
PCS Nitrogen Fertilizer, L.P.	Dupont Dow Elastomers
Cass Logistics Temporary	Union Carbide Corporation
Southern Ionics, Inc.	BASF
CNA Insurance	Radian International
Stone Packaging System	Valeron Strength Films
Ingersoll-Rand Fluid Products	Delta Chemicals
Depository Trust Co.	CEDE & Co.
Zhagrus Environmental, Inc.	

SCHEDULE A

(iii) MEMBERS OF THE GRACE COMMITTEE

Sealed Air Corporation	The Bank of New York
Bankers Trust Company, as indenture trustee	Zhagrus Environmental, Inc.
ABN AMRO Bank N.V.	JP Morgan Chase & Co.
First Union	Bank of America, N.A.
Wachovia Bank	

(iv) DIRECTORS AND OFFICERS OF DEBTORS

Akos L. Nagy
Alicia Burke
Anthony G. Riddlesperger
D. F. Garvey
David B. Siegel
David M. Cleary
David Nakashige
Dudley L. Bobolts
Elyse Napoli-Filon
Fabio Tegiacchi
Gregory B. Poling
Henry C. Lyons
J. Elder
John F. Akers
John J. Murphy
Kang Hui Shen
Mark A. Shelnitz
Martin Hunter
Marye Anne Fox
Michael A. Miller
Michael N. Piergrossi

O. Mario Favorito
Paul Bettacchi
Paul J. Norris
Paul McMahon
R. H. Locke
Robert A. Maggio
Robert F. Jenkins
Robert J. Bettacchi
Robert J. Medler
Robert M. Tarola
Robert P. Turner
Ronald C. Cambre
Ruth E. Rowan
Susan E. Farnsworth
Susan Eccher
Thomas A. Vanderslice
W. Brian McGowan
William L. Baker
William L. Monroe
William M. Corcoran

(v) PLAINTIFFS AND OTHER PARTIES-IN INTEREST TO
NON-ASBESTOS LITIGATION AGAINST DEBTORS

Abbott, Margaret	Bloomfield-Mespo Local School District
Abbott, Eugene	Bluffton-Richland Public Library
Abner, Travis	Botkins Local School District
Ada Public Library	Bowen, Gary
Adams County Public Library	Brecksville-Broadview Hts. City Sch. Dst.
Akron City School District	Bristol Local School District
Akron-Summit County Public Library	Bristol Public Library
Alexander Local Schools	Buckeye Valley Local Schools
Alexandria Public Library	Buckeye Central Local School District
Amanda Clearcreek Local School District	Buckles-Whitmer, Donna
Amherst Public Library	Bucyrus Public Library
Amos Memorial Public Library	Bullock, Lawrence
Anthony Wayne Local School District	Canal Winchester Local School District
Arcanum Public Library	Canal Fulton Public Library
Ashland Public Library	Cardington Lincoln Local School District
Ashtabula County District Library	Carnegie Public Library
Athens City School District	Casarino, Peter
Austintown Local School District	Centerville City-School District
Avon Lake City School District	Central State University
Avon Lake Public Library	Champaign County Library
Baker, Sr., George	Chardon Local School District
Barberton City School District	Chase, Adam
Barberton Public Library	Circleville City School District
Barsky, Harry	Clark County Public Library
Bay Village City School District	Claymont School District Public Library
Beachwood City School District	Clermont County Public Library
Beavercreek City School District	Cleveland State University
Bedford City School District	Cleveland Hts.-Univ. Hts. City Sch. Dst.
Bellefontaine City School District	Cleveland Municipal School District
Bellevue Public Library	Cleveland Public Library
Bexley Public Library	Cloverleaf Local School District
Birchard Public Library of Sandusky Co.	Clyde Public Library
Bleazard, Erica	Coco, Thomas
Bleazard, Ross	Coldwater Public Library
Bleazard, Laura	Columbiana Public Library
Bleazard, Laura - David Bleazard	Columbus Metropolitan Library
Bliss Memorial Public Library	Columbus State Community College
Bloom Carroll Local School District	Coshocton Public Library

Coshocton City School District	Four Bear, Charles -Charles Four Bear II
Coventry Local-School District	Four Bear, Charles-Ava L LittleWhirlwind
Crestline Public Library	Franklin Public Library
Crestwood Local School District	Franklin City School District
Cryovac Sealed Air Corporation	Fremont City School District
Cuyahoga Falls School District	Frontier Local School District
Cuyahoga Heights Local School District	Galion Public Library Association
Cuyahoga County Public Library	Garrison, Charline
Danville Local School District	Geauga County Public Library
Dayton and Montgomery County Public Library	Genoa Area Local School District
Defiance Public Library	Gill, James
Del Pino, Jose Ramon Llaguna	Gilstrap, Viola
Delaware County District Library	Girard City School District
Delphos Public Library	Girard Free Library
Doss, Iris Rose	Gnadenhuetten Public Library
Doss, Jr., James	Grafton-Midview Public Library
Doss, Iris	Grainger, David
Doss, Jesse	Grainger, Denise
Dover Public Library	Grainger, Denise - Jay Grandchamp
E. Cleveland City School District	Grainger, Trivian - Adam Grainger
E. Palestine Memorial Public Library	Grainger, Dawn
East Clinton Local School District	Grainger, Trivian - Daniel Grainger
East Guernsey Local School District	Grainger, Trivian
Eastwood Local School District	Grainger, Denise - Tina Kohl
Ella M. Everhard Public Library	Granville Public Library
Elmwood Local School District	Greene County Public Library
Elyria Public Library	Hamilton Local School District
Euclid Public Library	Harbor-Topky Memorial Library
Evergreen Local School District	Hardin-Houston Local School District
ExxonMobil Corporation	Harris Elmore Public Library
Fairfield County District Library	Harrison, Noel
Fairfield Local School District	Hatco Corporation
Fairfield Union Local School District	Helms, Brenda
Fairlawn Local School District	Herrick Memorial Public Library
Fairport Public Library	Highland Local School District
Findlay-Hancock County Public Library	Highland County District Library
Forest - Jackson Public Library	Hilliard City School District
Four Bear, Charles - Jonathon Little	Hillsboro City School District
Four Bear, Charles - Whirlwind	Hocking Technical College
Four Bear, Charles - Joray Four Bear	Holmes County District Public Library
Four Bear, Charles	Hubbard Exempted Village School District
Four Bear, Anna	Hubbard Public Library
	Huron Public Library

Ida Rupp Public Library
 Independence Local School District
 Jackson Local School District
 James Gill, on behalf of Calif. General Public
 Jefferson Area Local School District
 Jefferson Township Local School District
 Johnstown Monroe Local School District
 Jones, Richard
 Kaneb Pipeline Operating Partnership, L.P.
 Kaubisch Memorial Public Library
 Kelley, Joan Mary
 Kelly, Joan
 Kenston Local School District
 Kent City School District
 Kent Free Library
 Kester, Dale
 Kettering City School District
 Kingsville Public Library
 Kinsman Free Public Library
 Kirtland Public Library
 Lake Local School District
 Lakeland Community College
 Lakeview Local Schools
 Lakewood Public Library
 Lane Public Library
 Lebanon Public Library
 Leetonia Community Public Library
 Liberty Center Public Library
 Liberty Union Thurston Local Schools
 Licking Heights Local School District
 Lima Public Library
 Little Miami Local School District
 Logan Elm Local School District
 Logan County District Library
 London City School District
 London Public Library
 Lorain County Community College
 Lorain Public Library
 Loudonville Public Library
 Louisville Public Library
 MacKenzie Memorial Public Library
 Manning, Willard
 Mansfield-Richland County Public Library

Maple Heights City School District
 Martell, Rene
 Marvin Memorial Library
 Marysville Exempted Village School Dst.
 Marysville Public Library
 Mason Public Library
 Massillon Public Library
 Maumee City School District
 McComb Public Library
 McKinley Memorial Library
 Medical College of Ohio
 Medina County District Library
 Mentor Public Library
 Mesquita, Richard
 Miamisburg City School District
 Middletown Public Library
 Middletown - Monroe School District
 Milton Union Public Library
 Minerals Management Service, Inc.
 Minerva Public Library
 Mohawk Community Library
 Montpelier Exempted Village School Dist.
 Montpelier Public Library
 Napoleon Public Library
 Nelson, Geraldine
 Nelsonville-York City School District
 New Lexington City School District
 Newton Falls Exempted Village Sch. Dist.
 Newton Falls Public Library
 Nordonias Hills School District
 North Canton Public Library
 North Baltimore Public Library
 North Canton City School District
 North Olmsted City School District
 North Royalton City School District
 Northridge Local School District
 Northwood Local School District
 Oak Harbor Public Library
 Oakwood City School District
 Oberlin Public Library
 Ontario Local School District
 Oregon City School District
 Orrville Public Library

Ostego Local School District
 Overton, Wyatt
 Paint Valley Local School District
 Parker, Mel
 Parker, Lerah
 Pataskala Public Library
 Patrick Henry Sch. Dist. Public Library
 Paulding County Carnegie Library
 Pemberville Public Library
 Perry Public Library
 Perry, Ruppel
 Perry School District (Fayetteville, IN)
 Perrysburg Exempted Village School Dist.
 PETRO Resources, Inc.
 Pettisville Local School District
 Pickerington Local School District
 Pishioneri, James
 Plain Local School District
 Plain City Library
 Poland Local School District
 Port Clinton City School District
 Portage County District Library
 Preble - Shawnee Local School District
 Public Library of Cincinnati & Hamilton
 Putnam County District Library
 R. Mesquita, in behalf of California General
 Public
 Reddoor, Abigail
 Reddoor, Irma
 Reed Memorial Library
 Revere Local School District
 Reynoldsburg City School District
 Ricker, William
 Ricker, Jr, George F (Erin Ricker)
 Ricker, Helen
 Ricker, Sr., George
 Ricker, Jr., George
 Ritter Public Library
 River Valley Local School District
 Roberts, John
 Rockford Carnegie Library
 Rocky River Public Library
 Rocky River City School District

Russia Local School District
 Salem Public Library
 Salem City School District
 Sandusky Public Library
 Seneca East Public Library
 Sinclair Community College
 Smith, R. Gene
 Solon City School District
 Southeastern Local School District
 Southern State Community College
 Southwest Licking Local School District
 Southwest Public Library
 Spiker, Pauline
 Springfield Local School District
 St Paris Public Library
 Stark County District Library
 State of Ohio (Attorney General)
 State of Michigan, Dept. of Corrections
 Stow-Munroe Falls Public Library
 Support Services Terminal, Inc.
 Sylvania City School District
 Taco Tico, Inc.
 Taco Tico Acquisition Corp.
 Taylor Memorial Public Library
 Teays Valley Local School District
 Tennison, Kathleen
 Tennison, Kathleen
 Thompson, Harrison
 Tiffin-Seneca Public Library
 Tipp City Public Library
 Toledo City School District
 Travis Abner, on behalf of Calif. Gen'l Public
 Tri-County North Local Schools
 Triad Local School District
 Trimble Local School District
 Troy City School District
 Troy-Miami County Public Library
 Tuscarawas County Public Library
 Twin Valley Community Local School Dist.
 Twinsburg City School District
 Twinsburg Public Library
 United States Department of Interior
 Upper Sandusky Community Library

Upper Sandusky Exempted Village Sch. District	Youpee, Sr, Marvin K. (Marvin Youpee, Jr)
Upper Arlington City School District	Youpee, Sr, Marvin K. (William Youpee, III)
Upper Arlington Public Library	A. P. Green Services, Inc.
Urban, Charles	Allegheny Solvents and Chemicals Company
Valley View Local School District	Amchem Products, Inc.
Versailles Exempted Village Sch. District	American Trading & Production Corp.
Wadsworth City School District	American Petrofina, Inc.
Walker, L. Diane	Amoco Corporation
Walker, Diane	Amoco Shipping Company
Wapakoneta City School District	Anchor Chemical Company
Warren-Trumbull County Public Library	Andrews Oil Company
Warrensville Heights City School District	Arthur F. Hazen & Son, Inc.
Washington State Community College	ASARCO Incorporated
Washington Court House City Schools	Ashland Oil, Inc.
Washington-Centerville Public Library	Atlantic-Richfield Company
Waterloo Local School District	B. P. Oil Corporation
Waverly City School District	Baker & Taylor, Inc.
Way Public Library	Basic, Inc.
Wayne Local School District	Bearings and Transmissions, Inc.
Wayne County Public Library	Bearings, Inc.
West Geauga Local School District	Beaver Alkali Products
Westerville City School District	Beazer East, Inc.
Westerville Public Library	Berry Bearing Company
Whitmer, Warren	Betz Laboratories, Inc.
Willard Memorial Library	BetzDearborn, Inc. (f/k/a Grace Dearborn Company)
Wilmington Public Library of Clinton County	Bigelow-Liptak Company
Wolf Creek Local School District	Blackhawk Chemical Company
Wood County District Public Library	Blackships, Inc.
Woodmore Local School District	Boron Oil Company
Woodridge Local School District	Bostik, Inc.
Worthington Public Library	Boyer Chemical Laboratory Company
Wright Memorial Public Library	Burrell Corporation
Wright, James	Calgon Corporation
Yellow Springs Ex Village Sch. District	Chas Kurz & Co.
Youngstown/Mahoning County Public Library	Chevron U.S.A., Inc.
Youpee, Josi	Chevron Products Company
Youpee, Sr, Marvin K. - Iris Youpee	Chevron Shipping Company
Youpee, Sr., Marvin	Colowyo Coal Company, L.P.
Youpee, Sr, Marvin K. - Brittany Youpee	Cosden Pipe Line Co.
Youpee, Cary	Credit Suisse First Boston Corp.
Youpee, Dwight	D. A. Stuart Oil Co., Ltd.
Youpee, Allen	DeShazer, Jack

Dextrex Corp.
 Didier Taylor Refractories Corp.
 Dow Chemical USA
 E. F. Houghton & Company
 El-Arabi, Mahguib
 English China Clays, Inc.
 Exxon Co. USA
 FINA, Inc.
 FINA Oil and Chemical Company
 Fiske Bros. Refining. Co.
 Fresenius Medical Care, Inc.
 Fresenius National Medical Care, Inc.
 Fresenius U.S.A., Inc.
 G. Whitfield Richards
 Gateway Industrial Supply
 General Refractories Co.
 Gojer, Inc.
 Grand Saw & Machine, Inc.
 Gulf Oil Corp.
 Harbison-Walker Refractories Co.
 Harry Miller Corporation
 Hazen Petroleum, Inc.
 Hess Tankership, Co.
 Housley-Kimmich Company
 Humble Oil & Refining Co.
 Huthnance International, Inc.
 Huthnance-Grace Offshore Company
 Imperial Oil & Grease Co.
 Imperial Metallic Lubricants, Inc.
 Industrial Petroleum Chemicals
 Jamestown Paint & Varnish Company
 Jurgens, Charles
 Kaiser Aluminum & Chemical Sales
 Kennametal
 Keystone Tankership Corp.
 L. O. Burrell Company
 L. P. S. Research Laboratories, Inc.
 Laboratory Equipment Co.
 Magnaflux Corporation
 Management, Inc.
 Marathon Oil
 Marine Navigation Co., Inc.
 Marine Transport Lines

Maurice A. Knight Company
 McKesson Chemical Co.
 Merrill Lynch, Pierce, Fenner & Smith, Inc.
 Mesa Petroleum Co.
 Metropolitan Urology, PSC
 Mobil Oil Co.
 Monsanto Company
 Murphy Oil USA, Inc.
 Murphy Exploration & Production Co.
 N.Y. Hillside, a/k/a NY (Hillside), Inc. &
 NY Petro. (Hillside) Inc.
 National Chemsearch Corp.
 National Tankers Corp.
 National Medical Care, Inc.
 Never-Seez Compound Corporation
 Neville Chemical Company
 North American Refractories Co.
 O. Y. Sea Freight
 Parkin Chemical Company
 Pioneer Natural Resources Co.
 Pioneer Natural Resources USA, Inc.
 Pro-Chem. Inc.
 Prudential Lines, Inc.
 Quaker Chemical Corporation
 Ralph A. Hiller Company
 Ray Engineering
 Reilly Tar & Chemical Corporation
 Robinson Insulation Company
 Samson Hydrocarbons Company
 Samson Hydrocarbons Company
 Saville & Co.
 Scaled Air Corporation (US)
 Shell Pipeline Corporation
 State of Michigan, Department of
 Corrections
 Stauffer Chemical Co.
 Sun Company
 Support Terminal Services, Inc.
 Support Terminals Operating Partnership,
 L.P.
 T. J. Stevenson & Co.
 Texaco, Inc.
 Texaco Refining and Marketing, Inc.

Texaco Marine Services, Inc.
Texize Chemicals, Inc.
The Steco Corp.
The Filtron Co., Inc.,
Union Pacific Railroad Company
Union Oil Co. of California
Union Carbide Corporation
United Refining Company
United Fruit Company
United States Steel Corp.
William K. Schmied, M. D.

(vi) ASBESTOS LITIGATION SIGNIFICANT CO-DEFENDANTS

101 California Investors Corp.	Asten Canada, Inc.
A. P. Green Industries, Inc.	Atlantic Asbestos Corp.
A. P. Green Services Inc.	Atlantic Richfield Co.
A. O. Smith Water Products Co.	Atlas-Turner Co. Ltd.
A. W. Chesterton Company	Auburn Manufacturing Co.
A. C. Product Liability Trust	Aurora Pump Co.
A BFST Products Co.	B. F. Goodrich Co.
A. L. Burbank & Co. Ltd.	The Babcock & Wilcox Company
Abex Corp.	Beazer East, Inc.
ACandS, Inc.	Bethlehem Steel Corp.
Acorn Iron & Supply Co.	Bigelow-Liptak Corp.
Alfred Crane Co.	Black & Decker Corp.
Allied Signal Inc.	BMCE, Inc.
Allied Glove Corp.	The Boc Group, Inc.
Altred Conhagen, Inc.	Borg Warner Security Corp.
Amchem Products, Inc.	Boyd Co.
American Standard, Inc.	BP of America
American Optical Corp.	Briggs Manufacturing Co.
American Export Lines, Inc.	Brown & Root, Inc.
Ametek, Inc.	Brown & Root USA, Inc.
Amoco Corp.	Bryan Steam Corp.
Amoco Oil Co.	The Budd Company
Amoco Chemicals Co.	Burnham Corp.
Anaconda Power Cable, Inc.	Burns & Roe Synthetic Fuels, Inc.
Anchor Packing Co.	C. E. Thurston & Sons, Inc.
Anco Insulations, Inc.	Cape Industries, PLC.
Appalachian Power Co.	CBS Corp.
Aqua Chem, Inc.	Central Operating Co.
Arco Petroleum Products Co.	Certainteed Corp.
Argo International Corp.	Champion International Corp.
Argo Packing Co.	Chemseco
Aristech Chemical Corp.	Chevron Corp.
Armstrong World Industries	Chicago Fire Brick Co.
Asarco, Inc.	Cleaver Brooks Company, Inc.
Asbestos Spray Corp.	Coffin Pump, Inc.
Asbestos Product Mfg. Corp.	Collins Packing Co.
Asbestos Corp.	Coltec Industries, Inc.
Asten Group, Inc.	Combustion Engineering, Inc.

Conhagen, Inc.	Flexo Products, Inc.
Consolidated Edison Co.	The Flintkote Company
Consolidated Mines Selection	Foote Mineral Co.
Continental Wire & Cable Co.	Foseco, Inc.
Cooper Industries, Inc.	Foster Wheeler Corporation
Corhart Refractories Co.	Fulton Boiler Works, Inc.
Courter & Co., Inc.	GAF Corporation
Crane Co.	Garlock Industries
Crosby Steam & Valve Co.	Gasket Holdings, Inc.
Crown Cork & Seal Co., Inc.	Gateway Industrial Supply
D. B. Riley, Inc.	Gatke Corp.
Dana Corp.	General Cable Corp.
Daniel Construction Co.	General Motors Corp.
Darragh Co.	General Signal Corp.
Dover Resources, Inc.	General Refractories Co.
Dow Chemical Co.	General Electric Co.
Dresser Industries, Inc.	General Gasket Corp.
Durabla Manufacturing Co.	Georgia Pacific Corp.
Durame Tallic Corp., Inc.	Gibraltar Industrial Services Inc
E.G. & G. Sealol, Inc.	Glen Alden Corp.
E.I. du Pont De Nemours & Co.	Goodall Rubber Co.
E.L. Stebbings, Inc.	Goodyear Canada, Inc.
Eagle Picher Industries, Inc.	Goodyear Tire & Rubber Co.
Eagle, Inc.	Gould Pumps, Inc.
Eastco Industrial Safety Corp.	Graybar Electric Co.
Eastern Refractories Corp.	Greene Tweed & Co.
Eaton Corp.	Griffin Wheel Co.
Edison International, Inc.	Guard Line, Inc.
Elliott Turbomachinery Co.	Gulf Coast Marine Supply Co.
Elliott Machine Corp.	Gulf Engineering Co., Inc.
Empire Ace Asbestos Insulation	Gulf Oil Corp.
Ericsson Radio Systems, Inc.	Gulf Belting & Casket Co.
Ernst Cago Co.	H. B. Fuller Co.
Everlasting Valve Co.	H. H. Robertson
Excelsior, Inc.	Hajoca Corp.
F. R. Wright Co. Of Pittsburgh	Hampshire Industries, Inc.
Federal Mogul Corp.	Harbison Walker Refractories
Felt Products, Inc.	Hel-Pro, Inc.
Ferodo America, Inc. (Acf)	Henry Vogt Machine Co.
Fibreboard Corporation	Hersh Packing & Rubber Co.
Figgie International	Hobart Brothers Co.
FKI Industries, Inc.	Holmes Blunt Ltd.
Flexitallic Gasket, Inc (Acf)	Home Rubber Co.

Hopeman Brothers, Inc.
 Houdam John Crane, Inc.
 Houghton & Co.
 Hunter Sales Corp.
 IMO Industries
 Imoff's, Inc.
 INCO Alloys International, Inc.
 Indian Head Industries, Inc.
 Indresco, Inc.
 Industrial Rubber & Specialty Co.
 Industrial Holders Co.
 Ingersoll Rand Co.
 Ingersoll-Dresser Pump
 Insul Co., Inc.
 Insulation Corp.
 International Freightling Corp.
 International Minerals & Chemical
 J. H. France Refractories Co., Inc.
 J. T. Thorpe & Sons, Inc.
 James Walker Manufacturing Co.
 Janos Industries Insulation Corp.
 John Crane, Inc.
 Kaiser Aluminium & Chemical Corp.
 Kaiser Aluminum & Insulation Co.
 Keasbey & Mattison
 Keeler Dorr Oliver Boiler Co.
 Kelly-Moore Paint Co., Inc.
 Kennecott Energy Company
 Kentile Floors, Inc.
 Kohler Co.
 Komp Equipment Co., Inc.
 Koppers Co., Inc.
 La Favorite Industries, Inc.
 Lake Asbestos of Quebec, Ltd.
 Laurel Rubber & Gasket Co.
 Leeds & Northrup Co.
 Lloyd F. Mitchell, Inc.
 Long Island Lighting Corp.
 Marathon Oil Co.
 Maremont Corp.
 Marine Specialty Co., Inc.
 Mario & Dibono Plastering Co., Inc.
 The Marmon Group, Inc.

McCarty Corp.
 McCormack Asbestos Co.
 McMaster-Carr Supply Co.
 Melrath Gasket Co.
 Metropolitan Life Ins. Co.
 Minnesota Mining & Mfg.
 Mississippi Rubber & Specialty Co.
 Mobil Oil Corp.
 Monongail-LA Power Co.
 Monsanto Chemical Co.
 Morse Diesel Construction, Inc.
 Mortell Company
 National Refractories And Minerals Corp.
 National Gypsum Co., n/k/a Asbestos Claims
 Management Corp.
 Noland Co.
 North American Refractories Co.
 North Brothers, Inc.
 Norton Co.
 Nosroc Corp.
 Nuturn Corp.
 O'Connor Constructors, Inc.
 Oakfabco, Inc.
 Occidental Chemical Corp.
 Oglebay Norton Co.
 Okonite Co.
 Owens Illinois, Inc.
 Owens Corning Fiberglass
 Owens Illinois Glass Co.
 Pacific Atlantic Steamship Co.
 Panacon Corp.
 Patterson Kelly Company
 Peerless Heating Co.
 Peerless Supply Co.
 Peerless Industries, Inc.
 Pecora Corp.
 Pfizer, Inc.
 Philip Carey Manufacturing Co.
 Phoenix Specialty Manufacturing
 Pittsburgh Plate Glass Industries
 Pittsburgh Corning Corp.
 Plibrico Company
 Pneumo Abex Corp.

Porter, Hayden
 PPG Industries, Inc.
 Preferred Utilities Manufacturing
 Premier Refractories & Chemicals
 Proko Industries, Inc.
 Puerto Rico Safety Equipment Co.
 Quaker Rubber Co.
 Quigley Company, Inc.
 Rapid American Corp.
 Ravenswood Aluminum Corp.
 Reilly Benton Co., Inc.
 Reynolds Metals Co.
 Rhone Poulenc, Inc.
 Rhopac, Inc.
 Riley Stoker Corp.
 Robert A. Keasbey Company
 Robertson Ceco Corp.
 Rockbestos Co.
 Rohm & Haas Co.
 Ruberoid Co. (successor is GAF Corp.)
 S. B. Decking, Inc.
 Safeguard Industrial Equipment
 Sager Corp.
 Sealol Corp.
 Searo Packing Co.
 Selby Battersby & Co.
 Crouse-Hinds Sepco Corp.
 Sequoia Ventures, Inc.
 Shell Oil Co.
 Sherwin Williams Co.
 Shook & Fletcher Insulation Company
 Skinner Engine Co., Inc.
 South Atlantic Steamship
 Standard Refractories Ltd.
 Standard Equipment
 Steel Grip Safety Apparel Co.
 Stone & Webster, Inc.
 Struthers Wells Corp.
 Studebaker Worthington Co.
 The Synkoloid Company of Canada, Ltd.
 T & N, Ltd. (T/N, PLC).
 T & N Industries (ACF)
 Taylor Seidenbach, Inc.

Taylored Industries, Inc.
 Texaco, Inc.
 Texas Vermiculite Co.
 Thorpe Insulation Company
 Tishman Construction Corp. of Illinois
 Tishman Realty & Construction
 Titusville Boiler Co.
 Treadwell Corp.
 Tung Sol Electric, Inc.
 Turner Supply Co.
 Tweed Greene & Co.
 U. C. Realty Corp.
 U. S. Navigation
 U. S. Gypsum Corp.
 Union Asbestos & Rubber Co.
 Union Carbide Corp.
 Uniroyal Chemical Co., Inc.
 Uniroyal, Inc.
 Universal Refractories, Inc.
 U. S. Rubber Gypsum Co.
 U. S. Mineral Products
 U. S. Rubber Co.
 USX Corp.
 Vellumoid Co.
 VIAD Corp.
 Viking Pumps.
 Vogt Machine Co.
 Waco Insulation, Inc.
 Wagner Electric Corp.
 Walworth Co.
 Warren Pumps, Inc.
 Weil McLain United Dominion Co.
 Westinghouse Electric Corp.
 Wire and Cable Division
 Worthington Corp.
 Worthington Pump Machinery Corp.
 York Industries Corp.
 Zimmerman Packing & Mfg., Inc.
 Zurn Industries, Inc.

**INVENTORY SETTLEMENT AGREEMENTS WITH LAW FIRMS DISPOSING OF ASBESTOS BODILY
INJURY CLAIMS VALUED AT MORE THAN \$5 MILLION**

Weitz & Luxenberg, P.C.	New York, NY
Reaud, Morgan & Quinn, Inc.	Beaumont, TX
Foster & Sear	Dallas, TX
Goldberg, Persky, Jennings & White, P.C.	Pittsburgh, PA
Silber & Pearlman, P.C.	Dallas, TX
Law Offices of David Lipman, P.C.	Miami, FL
Cooney & Conway	Chicago, IL
Campbell, Cherry, Harrison & Dove, L.L.P.	Waco, TX
Robles & Gonzales, P.A.	Miami, FL

(vii) TOP 100 EQUITY SECURITY HOLDERS OF DEBTORS

Cede & Co
W. R. Grace & Co Book Entry Memo A/C
Loriot & Co.
Jeanette L Vachon Trust UA
Paul J. Norris
Charles H. Erhart Jr.
Bob Robert Sunness
Wachovia Bank of North Carolina
M. Evelyn Bowman
Phyllis Schriger
John W. Austin Jr. & Patsy W. Austin Trust
UA
Quentin Alexander
Patricia Stanley
Ellen R. Saxl
Angus W. Mercer
Ronald C. Cambre
Joyce M. Mercer
Wayne T. Smith
Rose M. Johnston
John A. Santillo & Rose Santillo
Edna M. Loos
Joanna M. Foley & Joseph P. Foley
Joseph A. Rightmyer
Simon Atlas
Alanna Forshay Fenske
Fred P. Brandt & Catherine A. Brandt
George R. Perrin
R. Ronald Kleiman
Joanna M. Foley & Joseph P. Foley
Merle Reppert
David B. Siegel
William M. Corcoran
Ann G. Fitzgerald
W. Brian McGowan
Harry S. Rinker Trust
Raymond E. Smiley
Janet L. Farr & Edward S. Farr

Holmes Oil Company
Lack & Lindsay
William A. Maude
William L. Monroe
Gerald W. Halmo
Daisy Salzo Casilla
Fred P. Brandt
Dorothy G. Kleiman
James G. Schaefer
Edmund F. Guaraldi Revocable Trust
John O. Flender
Magdalen Sleeman
Robert Bendheim
Rudolf B. Peest
Robert E. Anderson & Mary F. Anderson
Sylvia M. Erhart
Phyllis Schriger & William D. Roger
Eileen Margaret Grimsditch
Richard J. Schoofs
Noel A. Lee
Betty D. Green
Dorothy F. Sellers
Lawrence M. Pucci
Hilda Salz O
Bonnie Nagai
CMSS as Exchange Agent for
Unexchanged Holders of
Chomerics, Inc.
George T. Fukui & Katherine K. Fukui
Lillian Berman
Leonard L. Brown
Johnny P. Forehand Jr.
Kathryn C. Mattingly
Gregory E. Poling
Douglas V. Reynolds
Olaf B. Schubbe
The Smiley BBN Family Partnership
David Lawrence

Thomas Arlen Evans & Dotzie Kay Evans
Freda E. Strahl
Maria O. De Salz
Harold A. Beckmann
The Abraham Family Trust
Barbara Cates Baynard
Willie H. Blanton
Celwyn Company, Inc.
Rae C. Heiple
Burrel Leonard
Mary C. Kodis Trust
Joan McKay Young
Malech 1989 Family Trust
Margaret M. Sokol

Haig Torigian
Quentin L. Thelen
Robert L. Cox Jr.
Louise Loffredo
Elyse B. Napoli
Richard J. Nozemack
Steven S. Paloumbis
Mark A. Shelnitz
Gert H. Teska
Robert H. & Joan P. Beber
Laurey Mercer Rigsbee
George Montgomery
P. S. DeBeaumont

(viii) ISSUERS OF THE DEBTORS' OUTSTANDING LETTERS OF CREDIT

ABN AMRO Bank N.V.
Bank of America, N.A.
Citibank, N.A.
J.P. Morgan Chase & Co.
Wachovia Bank & Trust Company, N.A.

ISSUERS OF THE DEBTORS' OUTSTANDING SURETY BONDS

American International Group, Inc.
The Travelers Insurance Co.
Fireman's Fund Insurance Co.
The Hartford Financial Services Group, Inc.
St. Paul Companies, Inc.

BANK CREDITORS OF THE DEBTORS AND AGENTS AND INDENTURE TRUSTEES

The Chase Manhattan Bank (agent)
The Depository Trust Company
Bank of America, N.A.
J.P.Morgan & Chase Co.
First Union Bank
Credit Suisse First Boston Corp.
Dresdner Bank A.G.
Bank of Nova Scotia
ABN Amro Bank N.V.
Bank of New York
Northern Trust Bank
Wachovia Bank and Trust Company, N.A.
Hapoalim
Barclays Bank PLC
Citibank, N.A.
Commerzbank A.G.
Credit Lyonnais
HSBC/MarineMidland
Lloyds Bank, Dubai
CEDE & Co. (indenture trustee)
Deposit Guaranty Corp. (indenture trustee)

(ix) PARTIES TO REAL ESTATE LEASES IN WHICH DEBTORS ARE LESSEES

14901 North Scottsdale Road LLC / SM1/Southwestern Management, Inc.
2700 Stemmons
710, Inc.
A. Copeland Enterprises
A. Dong Oriental Grocery and Gift, Inc.
Abnet Realty Co. (Wm. Langfan & Aaron Ziegelman) / B E Holding Corp.
Accomplishments Through People, Inc.
AIP Properties
Alexander Summer, Inc.
Alifcris (UJ's Family Restaurant)
Allstore Realty Group
AMB Property, L.P.
AMCAP/Denver Ltd. Partnership
American Property Investors XI
American United Life Insurance Co.
APAC Teleservices, Inc.
Appollo Cards, Inc.
Arbor Vitae Company N.V.
ASIC Alliance Corporation
Associates Enterprises of Houston
Atlash Corporation N.V.
Autozone, Inc.
Azteca Restaurants (El Torita-La Fiesta)
B & N Enterprises
Baltivest, N.V.
Baronial Corporation, N.V.
Barrand, Inc.
Baydale, Inc. // AMFAC Merchandising Corp.
Bell Canyon Investments Company N.V.
Berch Corporation N.V.
Besswell Corporation, N.V.
Birchwood at Jericho Associates
Bixby Ranch Company
Blakenship Villas of Clovis, Inc.
Boeing Court Partners
Broadway Place I
Bruce & Brent Speckert, Tracey Deatsch, Deborah Frostholtm
Buccola Family Trust
Buen Dia Land Company N.V.

Builders Emporium Corp.
Builders Empourium (East), Inc.
Byer Properties
C & S, Inc.
Cabernet Company, N.V.
Caburan Land Company N.V.
Campamar Land Company N.V.
Caringello Investments II
Carlisle Property Co.
Carrow's
Casa Bonita, Inc.
Cassco Land Co., Inc.
Cavil Properties, Inc.
Cedar Square, A Texas General Partnership
CFS
Channel Home Centers
Channel Home Centers Realty Corp.
Channel Lumber Company
Channel of Route 10
Charger Land Company
Chart Towne Partnership
Chattanooga Food Systems, Inc.
Chi Chi's, Inc.
Child World, Inc.
Citizens and Southern Bank of W. Georgia
City Federal Savings & Loan Association
City/County of San Francisco - Public Utilities Commission
Clayton Dean
Coco's
Community Distributors, Inc.
Craddock Diversified Enterprises
Crested Butte Equities Co.
D & B of Hollywood
DAS Restaurants, Inc.
Dave Christensen, Inc. (successor in-interest - Bellevue Hilton)
Daylin, Inc.
De Nada Restaurants, Inc.
DELCO Development Co. of Gastonia / H. C. Associates
DELCO Development Co. of Tyvola
Delta Acquisitions, Ltd.
Dr/Mrs Robert Schmit
DT Propiedades
Dunn International Corporation

Dunn International of Georgia, Inc.
El Torito
El Toro Properties/Corp & Ludo and Gloria Bevilacqua
Elaine Power Figures Salons, Inc.
Eminent International Enterprises, Inc.
Evelyn Art Gallery
Fairlane Land Comapy, N.V.
Fast Food Properties
FBL Partners
Fedi, Fedi, Jaworski & Santini
FFCA/IIP
Fidelity Syndications, Inc.
First Harris Associates, Ltd.
First National Bank of Bloomington
Forshaw, Elizabeth
Frank & Marianne Sorci
Frederick J. and Pamela M. Axelberd
Freed Realty Company
Freeport Center Associates
Galahad Real Estate Corp.
Gardner-Smith Associates / Broad River Mall Assoc., L.P. /Hitchner, Witt & Co.
Garec Ltd. Partnership
Gaston Health Care, Inc.
Gene Biggli Properties
General Mills
Goodwill Industries fo Greater New York, Inc.
Green Angel Investments Co., N.V.
Green Pastures, Inc.
Grupe - Squaw Valley Company Ltd.
Handy City Division
Harry & Blise Grimmer
H-B, Inc.
Heathcliff Investment Co., N.V.
Herman's Sporting Goods, Inc.
Hines Interest Limited Partnership
Home Builders Emporium-NY
Homer J. Rader
HQ / Hechinger Property Company
H-T Enterprises V
Hugh M. Tarbutton
Ingram Plaza Company
International Protective Coating Corp. (successor to Pyrotec Industries, Inc.)
Investcal Develop Co.

Investcal Realty
J & J Rentals
J. E. Smith
J.C. Food Corporation
Jack Astor's Leasing
James G., James H. Ayres and Mary Jane Ayres
Jericho Restaurant Associates
Jew, Anthony, MD
John & Susan Youngson
John H. Baker III
John L. Stevenson
Jojo's
Joseph and Inez Foundation
Joyce Alyn
JP Forney Jr, Trustee; Elinor L. Forney; James B. Davis and R.C. Bennett, Trustee
Keg Restaurants
Keystone Realty Company
Kravco Company; Lehigh Valley Associates
Kwo-Tai Richard Sun & Ivy Hsiao-Ming Chen Sun
La Jolla Village Profesional Center Associates
La Mesa Crossroads
Lathamton Corporation
La Salle National Bank - Trust #100609
Laguna Hills Investment Company
Lampeter Joint Venture (Basser and Kaufman)
Larnet N.V.
Leverett Corporation N.V.
Lewis RE Trust, et al.
Life Time Floors, Inc.
Lismore Corporation N.V.
Lister Properties Co.
Listoville, N.V.
Lynda Ward
M.S.B. Properties
M/M John Santopadre
Malibu Land Company N.V.
Mamiye Brothers
Manor Develpoment Co.
Margaret & Mike Conrotto
Mark Hankin and Hanmar Assoc. MLP.
MARS, Inc.
Marshall's of Milford, Connecticut., Inc.
Marshall's of Waterbury, Connecticut., Inc.

Marshall's of Wayne
Marshall's, Inc.
Martinvest, Inc. N.V.
Mattatuck Plaza Associates (successor to Simon Konover)
MCC Group Northglenn, LTD.
MCC Group-Mesquite # Joint Venture
McCutchin Brothers Joint Venture II
Mercury Mall Associates
Merlot Company N.V.
MGSC Corp.
Milford Associates
Missouri Limited Partnership
Mr. Beef Restaurants, Inc.
Myers Corner Development Corporation
New England Mutual Life Ins. Co.
Ninfa's (Rodco, L.C.)
NoHy
Northern Hydraulics, Inc.
Northwest Village Limited
Olive Garden
Ollie's Bargain Outlet, Inc.
Orchard Supply Building Co.
Pacar, Inc.
Pancho's Mexican Buffet
Paragon Steakhouse Restaurants, Inc.
Parkland Realty
Paul Choi & Evelyn Youngrea Choi
Peckman, Peter H. & Nancy M., c/o Investcal Realty Corp.
Pennsylvania Ltd. Partnership
Pepper Square Venture I
Perrot N.V. and Lowell Corporation
PFRS Dublin Corp.
PH Associates
Phoenix Concepts Corporation
Pier 1 Imports
Pike-Pal Associates
Pinata, Inc.
Plaza Camino Real
Plus Foods Discount, Inc.
Princessa Land Company, N.V.
Principle Life Insurance Co.
PRS Boyle Rd. Corp / Selden Center Associates / Net Realty Holding
Quick Foods, Inc. dba Taco Villa

Quivira 95 Company
Quortrup Petroleum Products, Inc.
Rhodes, Inc.
Richard & Kathryn Rossman
Richard L. Crawford and Geren Crawford Real Estate Investments
Robert V. McKeen & Co.
Robin Roach & Andrew P. Wieland
RREEF USA Fund-III
Russell J. & Milton F. & Joyce Bruzzone
S. Klein Department Stores, Inc.
S.A.H. Partnership
Safari Realty Co., Inc.
Safeway Stores, Inc.
Safia, Inc.
Savmart of New Jersey, Inc.
Schantz, Schantz & Pernell
Scott William Wood
Serota & Sons
Shapell Industries of No. California, Inc.
Shepler's Inc.
Sheplers of Texas
Silver Shadow Land Company
Snack, Inc.
Soll Trust
Sota Bento Land Company, N.V.
South Plainfield Holding, Inc.
So. Pacific Dev. Co.
Southern Pacific Development
Southview Mexican Ltd. Partnership
Springs Assoc, L.P.
Springs Associates
Stammel Corp.
Stein Mart, Inc.
Stephen Pontiac - Cadillac, Inc.
Sterling Projects, Inc.
Sylvor, Robert
Tony Roma's a/k/a Romacorp, Inc.
Taaz, L.L.C.
Taco Del Sur, Inc.
Taco Villa, Inc.
Terrin Holding, Co.
T/H Associates
The Fabric Emporium

The Great Atlantic and Pacific Tea Company
The Lincoln National Life Insurance Co.
The Lionel Corporation & Lionel Leisure, Inc.
The Oaks % Key Center
The Pep Boys - Manny, Moe & Jack
The Price Company
The Salvation Army
The Snyder Living Trust
The Voit Companies
Theodore, Judith, Edward & Thelma Bradford
Topps of Totowa
Trammel Crow Co.
Two Forty Associates
Two Guys from Harrison -- New York, Inc.
United Benefit Life Insurance Company
Urban Village Partners
Vess J. Barnes, Joyce A. Barnes, & Terry Smith as Trustees of Barnes Jewelry, Inc. Employees
Profit Sharing Trust
Village Parkway Venture
Vincent & Rose Di Tommaso
Vintage Faire Assocs
Virginia Square Ltd.
Volare Investments Co.
Vornado, Inc.
W. H. C. Realty Corp. (successor to Simon Konover)
Wal-Mart Stores, Inc.
Watson Land Company a/k/a Chomerics, Inc.
Wayne Industries, Inc.
Weingarten Realty Investors
Weingarten Realty, Inc.
Wendy's
West York Associates
Westbar Limited Partnership
Whataburger, Inc.
Whittaker/Valey River Partners
Who Songs & Larry's
Wickes Companies, Inc.
William K. Langfan and Aaron Ziegelman
Winfield Group
Wm. & Grace Garcia
Woodfair Venture, Ltd.
WRG Assoc. Four
WRG Assoc. Seven

WRG Assoc. Six
WRG Associates Five
WRG III, L.P.
Banker's Life of Des Moines, Iowa

(x) Other Parties in Interest

TrizecHahn Office Properties, Inc.

Blue Ridge Asset Funding Corporation

Retained Professionals

Kirkland and Ellis

Pachulski, Stang, Ziehl, Young & Jones P.C.

The Blackstone Group L.P.

Kekst & Company

Wachtell, Lipton Rosen & Katz

Shareholders

FMR Corp.

Peninsula Partners, L.P.

The Baupost Group, L.L.C.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,¹

Debtors.

Chapter 11

Case No. 01-01139 (JJF)

(Jointly Administered)

Objection Deadline: June 4, 2001 at 4:00 p.m.

**Hearing Date: To be scheduled only if objections are timely
filed and served**

**ORDER PURSUANT TO SECTIONS 327 AND 1103 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014
AUTHORIZING THE EMPLOYMENT AND RETENTION
OF DUANE, MORRIS & HECKSCHER LLP AS LOCAL COUNSEL**

Upon the Application (the "Application") for an order pursuant to §§ 327 and 1103 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the retention of Duane, Morris & Heckscher LLP ("Duane Morris") as local counsel to the Official Committee of Unsecured Creditors (the "Committee") in the above-captioned chapter 11 case and upon the Affidavit of William S. Katchen, Esq., in support of the Application; and due and sufficient notice of the

¹

The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circo Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

Application having been given; and the Court being satisfied, based upon the representations made in the Application and the Affidavit that (i) Duane Morris represents no interest adverse to any of the estates of the above-captioned Debtors and Debtors-In-Possession (collectively, the "Debtors") with respect to matters for which they are to be retained; (ii) Duane Morris is a "disinterested person" as that term is defined under §101(14) of the Bankruptcy Code; and (iii) the employment of Duane Morris is necessary and would be in the best interest of the Committee and these estates; and after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED that, the Application is granted; and it is further

ORDERED that, in accordance with §§ 327 and 1103 of the Bankruptcy Code, the Committee is authorized and empowered to retain the firm of Duane Morris as its local counsel effective as of April 17, 2001, to perform all of the services described in the Application; and it is further

ORDERED that, Duane Morris shall be compensated in accordance with the procedures set forth in §§ 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules and Local Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.


HONORABLE JOSEPH J. FARNAN, JR.,
United States District Court Judge

Dated: June 21, 2001
Wilmington, Delaware
NWK\34526.2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	
W. R. GRACE & CO., <u>et al.</u>)	Chapter 11
)	Case No. 01-01139 (JJF)
)	
Debtors.)	Jointly Administered

CERTIFICATE OF SERVICE

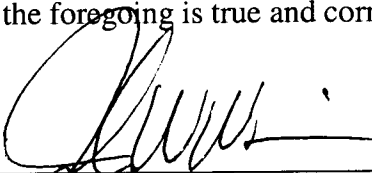
I, John W. Weiss, certify that I am not less than 18 years of age, and that service of a copy of the attached **Notice of Application for an Order Authorizing the Retention of Duane, Morris & Heckscher LLP as Counsel to the Official Committee of Unsecured Creditors** was made May 17, 2001, upon:

All of the parties indicated on the attached Service List by first class mail, postage prepaid, or as otherwise indicated.

Under penalty of perjury, I declare that the foregoing is true and correct.

5/17/01

Date



John W. Weiss

W. R. Grace 2002 Service List

Case No. 01-1139 (RJN)

Doc. No. Word146409v1

May 17, 2001

13 – Hand Delivery

07 – Federal Express

73 – First Class Mail

(Counsel to Debtors and Debtors in Possession)

Laura Davis Jones, Esquire

David Carickhoff, Esquire.

Pachulski, Stang, Ziehl, Young & Jones

919 North Market Street, 16th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

(Counsel to Debtors and Debtors in Possession)

Hamid R. Rafatjoo, Esquire

Pachulski, Stang, Ziehl, Young & Jones

10100 Santa Monica Boulevard

Los Angeles, CA 90067-4100

Hand Delivery

(Copy Service)

Parcels, Inc.

Vito I. DiMaio

10th & King Streets

Wilmington, DE 19801

Hand Delivery

(Local Counsel to DIP Lender)

Steven M. Yoder, Esquire

The Bayard Firm

222 Delaware Avenue, Suite 900

P.O. Box 25130

Wilmington, DE 19899

Hand Delivery

(Local Counsel to Asbestos Claimants)

William P. Bowden, Esquire

Matthew G. Zaleski, III, Esquire

Ashby & Geddes

222 Delaware Avenue

P.O. Box 1150

Wilmington, DE 19899

Hand Delivery

William H. Sudell, Jr., Esquire

Eric D. Schwartz, Esquire

Morris, Nichols Arsht & Tunnell

1201 N. Market Street

P.O. Box 1347

Wilmington, DE 19899

Hand Delivery

(Counsel for The Chase Manhattan Bank)

Mark D. Collins, Esquire

Deborah E. Spivack, Esquire

Richards, Layton & Finger, P.A.

One Rodney Square

P.O. Box 551

Wilmington, DE 19899

Hand Delivery

Jeffrey C. Wisler, Esquire

Michelle McMahon, Esquire

Connolly Bove Lodge & Hutz LLP

1220 Market Street, 10th Floor

Wilmington, DE 19899

Hand Delivery

(Counsel for Ingersoll-Rand Fluid Products)

Francis A. Monaco, Jr., Esquire

Walsh, Monzack and Monaco, P.A.

1201 N. Orange Street, Suite 400

P.O. Box 2031

Wilmington, DE 19801

Hand Delivery

(Counsel for Ingersoll-Rand Fluid Products)

Frederick B. Rosner, Esquire

Walsh, Monzack and Monaco, P.A.

1201 N. Orange Street, Suite 400

Wilmington, DE 19801

Hand Delivery

(Counsel for Property Damage Claimants)

Michael B. Joseph, Esquire

Ferry & Joseph, P.A.

824 Market Street, Suite 904

P.O. Box 1351

Wilmington, DE 19899

Hand Delivery

Bruce E. Jameson, Esquire

Prickett, Jones & Elliott

1310 King Street

P.O. Box 1328

Wilmington, DE 19899

Hand Delivery

Mark S. Chehi

Skadden, Arps, Slate, Meagher & Flom LLP

One Rodney Square

P.O. Box 636

Wilmington, DE 19899-0636

Hand Delivery

Joseph Grey, Esquire
Stevens & Lee
300 Delaware Avenue, Suite 800
Wilmington, DE 19801

Hand Delivery

(Counsel to Official Committee of Unsecured Creditors)
Michael R. Lastowski, Esquire
Duane, Morris & Heckscher LLP
1100 North Market Street, Suite 1200
Wilmington, DE 19801-1246

Federal Express

(Counsel to Debtor)
James H.M. Sprayregen, Esquire
James Kapp, III, Esquire
Kirkland & Ellis
200 East Randolph Drive
Chicago, IL 60601

Federal Express

(United States Trustee)
Frank J. Perch, Esquire
Office of the United States Trustee
601 Walnut Street, Curtis Center,
Suite 950 West
Philadelphia, PA 19106

Federal Express

(Canadian counsel for Debtor)
Derrick Tay, Esquire
Meighen Demers
Suite 1100, Box 11, Merrill Lynch Canada Tower
Sun Life Center, 200 Kint Street West
Toronto, Ontario M5H 3T4
CANADA

Federal Express

(W. R. Grace & Co.)
David B. Siegel
W.R. Grace and Co.
7500 Grace Drive
Columbia, MD 21044

Federal Express

(Official Committee of Personal Injury Claimants)
Elihu Inselbuch, Esquire
Rita Tobin, Esquire
Caplin & Drysdale, Chartered
399 Park Avenue, 36th Floor
New York, NY 10022

Federal Express

(Official Committee of Unsecured Creditors)

Lewis Kruger, Esquire

Stroock & Stroock & Lavan LLP

180 Maiden Lane

New York, NY 10038-4982

Federal Express

(Official Committee of Property Damage Claimants)

Scott L. Baena, Esquire

Member

Bilzin Sumberg Dunn Baena Price & Axelrod LLP

First Union Financial Center

200 South Biscayne Blvd, Suite 2500

Miami, FL 33131

First Class Mail

(Counsel to Sealed Air Corporation)

D. J. Baker, Esquire

Skadden, Arps, Slate, Meagher & Flom LLP

Four Times Square

New York, NY 10036

First Class Mail

(Counsel to DIP Lender)

J. Douglas Bacon, Esquire

Latham & Watkins

Sears Tower, Suite 5800

Chicago, IL 60606

First Class Mail

(Counsel to Asbestos Claimants)

Nancy Worth Davis, Esquire

Ness, Motley, Loadhold, Richardson & Poole

28 Bridgeside Boulevard

P.O. Box 1792

Mount Pleasant, SC 29465

First Class Mail

Todd Meyer, Esquire

Kilpatrick Stockton

1100 Peachtree Street

Atlanta, GA 30309

First Class Mail

Securities & Exchange Commission

15th & Pennsylvania Ave. N.W.

Washington, DC 20020

First Class Mail

District Director
IRS
409 Silverside Road
Wilmington, DE 19809

First Class Mail

Securities & Exchange Commission
Atlanta Regional Office Branch/Reorganization
3475 Lenox Road, NE, Suite 100
Atlanta, GA 30326-1232

First Class Mail

Secretary of Treasurer
P.O. Box 7040
Dover, DE 19903

First Class Mail

Secretary of State
Division of Corporations
Franchise Tax
P.O. Box 7040
Dover, DE 19903

First Class Mail

James D. Freeman, Esquire
U.S. Department of Justice
Environmental Enforcement Section
999 18th Street
Suite 945-North Tower
Denver, CO 80202

First Class Mail

Jon L. Heberling, Esquire
McGarvey, Heberling, Sullivan & McGarvey PC
745 South Main Street
Kalispel, MT 59901

First Class Mail

Patrick L. Hughes, Esquire
Haynes & Boone LLP
1000 Louisiana Street, Suite 4300
Houston, TX 77002-5012

First Class Mail

David S. Heller, Esquire
Latham & Watkins
Sears Tower, Suite 5800
Chicago, IL 60606

First Class Mail

Charles E. Boulbol, Esquire
26 Broadway, 17th Floor
New York, NY 10004

First Class Mail

Ira S. Greene, Esquire
Squadron, Ellenoff, Plesent & Sheinfeld, LLP
551 Fifth Avenue
New York, NY 10176

First Class Mail

James A. Sylvester, Esquire
Intercat, Inc.
104 Union Avenue
Manasquan, NJ 08736

First Class Mail

Steven J. Johnson, Esquire
Gibson, Dunn & Crutcher LLP
1530 Page Mill Road
Palo Alto, CA 94304-1125

First Class Mail

Charlotte Klenke, Esquire
Schneider National, Inc.
P.O. Box 2545
3101 S. Packerland
Green Bay, WI 54306

First Class Mail

David S. Rosenbloom, Esquire
Jeffrey E. Stone, Esquire
Lewis S. Rosenbloom, Esquire
McDermott, Will & Emery
227 West Monroe Street
Chicago, IL 60606-5096

First Class Mail

Brad Rogers, Esquire
Office of the General Counsel
Pension Benefit Guaranty Corp
1200 K. Street, N. W.
Washington, D.C. 20005-4026

First Class Mail

Pamela Zilly
Richard Shinder
David Blechman
Michael Alexander
The Blackstone Group
345 Park Avenue
New York, NY 10154

First Class Mail

Josiah Rotenberg
Lazard Freres & Co. LLC
30 Rockefeller Plaza, 60th
New York, NY 10020

First Class Mail

(Counsel for The Chase Manhattan)
Stephen H. Case, Esquire
Nancy L. Lazar, Esquire
David D. Tawil, Esquire
Davis Polk & Wardwell
450 Lexington Avenue
New York, NY 10017

First Class Mail

Jan M. Hayden
William H. Patrick
Heller, Draper, Hayden, Patrick & Horn, L.L.C.
650 Poydras Street, Suite 2500
New Orleans, LA 70130-6103

First Class Mail

Joseph F. Rice
Ness, Motley, Loadholt, Richardson & Poole
28 Bridgeside Blvd.
P.O. Box 1792
Mt. Pleasant, SC 29465

First Class Mail

Nancy Worth Davis
Ness, Motley, Loadholt, Richardson & Poole
28 Bridgeside Blvd.
P.O. Box 1792
Mt. Pleasant, SC 29465

First Class Mail

(Counsel for Asbestos Claimants)
Steven T. Baron, Esquire
Member
Silber Pearlman, LLP
2711 North Haskell Avenue, 5th Floor, LLP
Dallas, TX 75204

First Class Mail

Bankruptcy Administration
IOS Capital, Inc.
1738 Bass Road
P.O. Box 13708
Macon, GA 31208-3708

First Class Mail

(Attorneys for PPG Industries, Inc.)
W.J. Winterstein, Jr., Esquire
John J. Winter, Esquire
William M. Aukamp, Esquire
Eleven Penn Center, 29th Floor
1835 Market Street
Philadelphia, PA 19103

First Class Mail

R. Scott Williams
PMG Capital Corp.
Four Falls Corporate Center
West Conshohocken, PA 19428-2961

First Class Mail

Alan R. Brayton, Esquire
Brayton & Purcell
222 Rush Landing Road
Novato, CA 94945

First Class Mail

Jonathan W. Young
Wildman, Harrold, Allen & Dixon
225 West Wacker Drive, Suite 3000
Chicago, IL 60606-1229

First Class Mail

Russell W. Budd
Alan B. Rich
Baron & Budd, P.C.
3102 Oak Lawn Avenue, Suite 1100
Dallas, TX 75219

First Class Mail

Shelby A. Jordan, Esquire
Nathaniel Peter Holzer, Esquire
Jordan, Hyden, Womble & Culbreth, P.C.
500 N. Shoreline Blvd., Suite 900
Corpus Christi, TX 78471

First Class Mail

Courtney M. Labson, Esquire
The Mills Corporation
Legal Department
1300 Wilson Boulevard, Suite 400
Arlington, VA 22209

First Class Mail

T. Kellan Grant
Wildman, Harrold, Allen & Dixon
225 West Wacker Drive, Suite 3000
Chicago, IL 60606-1229

First Class Mail

Cindy Schultz
Ingersoll-Rand Fluid Products
One Aro Center
P.O. Box 151
Bryan, OH 43506

First Class Mail

Alan Kolod, Esquire
Moses & Singer LLP
1301 Avenue of the Americas
40th Floor
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Harry Lee, Esquire
Steptoe & Johnson LLP
1330 Connecticut Avenue, N.W.
Washington, DC 20036

First Class Mail

(Counsel for Public Service Electric and Gas Company)
William E. Frese, Esquire
Attn: Sheree L. Kelly, Esquire
80 Park Plaza, T5D
P.O. Box 570
Newark, NJ 07101

First Class Mail

(Counsel to Official Committee of Unsecured Creditors)
William S. Katchen, Esquire
Duane, Morris & Heckscher LLP
1 Riverfront Plaza, 2nd Floor
Newark, NJ 07102

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(Tennessee Department of Environment and Conservation – Superfund)

Paul G. Summers, Esquire

TN Attorney General's Office, Bankr. Unit

P.O. Box 20207

Nashville, TN 37202-0207

First Class Mail

(Counsel for numerous asbestos claimants)

Damon J. Chargois, Esquire

Foster & Sear, L.L.P.

360 Place Office Park

1201 N. Watson Road, Suite 145

Arlington, TX 76006

First Class Mail

(Counsel for Berry & Berry)

C. Randall Bupp, Esquire

Plastiras & Terrizzi

24 Professional Center Parkway

Suite 150

San Rafael, CA 94903

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Anton Volovsek

Rt2 – Box 200 #42

Kamiah, Idah 83536-9229

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Andrews & Kurth LLP

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Assistant General Counsel

3900 Commonwealth Boulevard, MS 35

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